



JOSH MANDEL

STATE TREASURER OF OHIO

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"We're very happy with the program," said London Public Library director Mike Hensel to state treasurer Josh Mandel last week. Mandel visited the library on Thursday, Sept. 19, to answer questions about the STAR Plus program, a state-sponsored investment program in which both the library and the city of London are significantly invested in. The city has put \$600,000 into the program. The library's investment is double that at \$1.2 million.

The STAR Plus Program was launched in June 2012 and has seen tremendous growth since its inception.

"The STAR Plus program allows Ohio schools and governments to earn a competitive yield on public funds deposits without credit or market risk by leveraging FDIC insurance," Mandel said. "I call it a win-win-win for taxpayers, local governments and community banks across Ohio."

The library has invested 1.2 million of its funds into STAR Plus. "We had been invested in STAR Ohio," Hensel said. The library switched to STAR Plus, to see its money get a significantly higher interest rate, without placing much increase risk on the capital. The interest rate of STAR Ohio is at 0.02 percent, the rate of STAR Plus is at 0.2 percent.

About 85 percent of the library's investments are designated as capital improvement and endowment funds. The remaining percentage is for general operations.

The capital and endowment funds have been generated over the last few decades through community contributions and conservative budgeting.

Much of the capital funds were to fund a building expansion six years ago with the help of the community through a local levy. The levy failed twice and the library directors decided to hold off on any further attempts.

Since then, the library has reduced its budget from \$1.1 million to \$850,000 because of state cuts to public libraries. The library answered those cuts by reducing staff through attrition, reducing hours of operation, and a reducing material budgets.

"It may appear to some that we have a lot of money but we have simply done everything we can live within our means and simply have a little left over at the end of each year because we never know what the state is going to do," Hensel said.

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